August 9, 2004

MEMORANDUM

To: Mr. Dalton B. Floyd, Jr., Chair and Members

Commission on Higher Education

From: Mr. Daniel Ravenel, Interim Chair and Members

Committee on Student Services and Access & Equity

<u>South Carolina HOPE Scholarship Program</u> <u>Proposed Regulatory Amendments - 2005-06 Academic Year</u>

The Commission on Higher Education proposes two major amendments to the SC HOPE Scholarship Program Regulation. The first amendment removes Johnson and Wales University as an eligible independent institution. The second amendment adds language for service members of the United States Armed Forces who are called to active duty to receive the maximum terms of eligibility.

The removal of Johnson & Wales University as an eligible institution as defined in Section 62-900.90(L), is a result of the institution's relocation to Charlotte, North Carolina. As of Fall 2003, the University is no longer accepting new students for enrollment into the Charleston campus. Since the HOPE scholarship is only awarded to first-time entering freshmen, these students are no longer eligible to receive the scholarship.

Due to the events that occurred on September 11, 2001, service members of the United States Armed Forces are being called to active duty and are required to withdraw from college due to deployment. The Commission on Higher Education does not want to penalize these students for events that are beyond their control. The term(s) the service member is called to active duty will not count against the two terms of maximum eligibility. The institution must provide the student with a refund based on the institution's policies and procedures, but are strongly encouraged to provide a full refund or credit in a comparable amount. Thus, the inclusion of Section 62-900.111 ("Military Mobilization") in the proposed regulation will allow each institution the authority to reinstate the scholarship upon the service member's re-enrollment.

Additionally, the following modifications are also being proposed for consideration:

- 62-900.90(K) The definition for "Home institution" was added to define which institution service members are eligible to receive scholarship funds.
- 62-900.90(M) Language was added to the definition of "Initial college enrollment" to clarify that the two terms of eligibility are based on continuous enrollment (except summer).
- 62-900.90(P) Definition for "Remedial/developmental coursework" was added to be consistent with the LIFE and Palmetto Fellow Scholarship Programs. Scholarship funds cannot be applied to these courses.
- 62-900.95(A)(6) Language was added to provide specific instructions for verification of the cumulative 3.0 GPR requirement based on the Uniform Grading Scale for home school and out-of-state students to determine scholarship eligibility.
- 62-900.95(B) Language was added to be consistent with the LIFE Scholarship Program. This language clarifies that credit hours earned prior to high school graduation do not count against the maximum terms of eligibility with the exception of early graduates.
- 62-900.95(D) Language was added to allow service members to earn credit hours while on active duty without penalty. The credit hours will not count against the maximum terms of eligibility.

Recommendation

The Committee on Student Services and Access and Equity recommends that the Commission on Higher Education approve the proposed amendments to the regulation for the South Carolina HOPE Scholarship Program. If approved, the amended regulation will be submitted to the General Assembly for approval under the Administrative Procedures Act.